

**USAID/Zagreb
FY 97 Training Plan
October 1996**

**Supporting Transition to
Stability and Opportunity**

Submitted to USAID/W/ENI/HR/TE and
USAID/Zagreb
under
USAID/ENI/HR Technical Assistance Project
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The observations, conclusions, and recommendations set forth in this document are those of the authors alone and do not represent the views or opinions of the USAID/ENI/HR Technical Assistance Project, BHM International, Inc., or the staffs of these organizations.

Introduction/Background

The U.S. Agency for International Development (USAID) requires the annual development of a Mission Training Plan (ADS 253 and ADS 253 Supplemental).¹ This draft FY 97 Training Plan for USAID/Zagreb (Mission) seeks to develop the human resource capacities identified by the Mission as critical to the achievement of strategic objective (SO) and intermediate result (IR) targets. The Training Plan (TP) attempts to tie all training activities "in-country, U.S.-based, justifiable third country" to the Mission's SO and IR indicators. The TP is Mission- and project-driven, providing measurable objectives required if programs are to meet their IR targets.

As stated in the "Results Review and Resources Request - FY 96", *transition* is the recurring theme for USAID/Zagreb. "Transition from war to peace, transition from a short-term focus on easing humanitarian crisis to a longer-term focus on establishing a multi-ethnic, market-based democratic society, and transition from Washington to field-based programming. Managing each of these transitions *effectively* is key for achieving meaningful results over the proposed program period." ² (Italics added by drafters.)

To reflect this ever-changing environment and provide support for sustainable programs, USAID/Zagreb projects include in-country training activities that account for most USAID-funded training. *This draft TP, however, focuses on those types of U.S.-based training that will reinforce and strengthen the technical assistance activities of Mission projects.* Further, the FY 97 TP was prepared during and after consultations with USAID/Zagreb staff and Technical Assistance (TA) contractors. When possible, the team solicited comments from and asked both USAID and TA representatives to review drafts" many of those comments are incorporated into this document (see Appendix A). The TP also includes information on in-country training activities.^{3, 4}

The TP is composed of a narrative portion and a spreadsheet. Both list training activities by SO and IR. The spreadsheet provides budget estimates for U.S.-based and third-country training courses. The narrative provides details for Mission-driven participant training (i.e., human capacity development to achieve Mission-identified SOs and IRs) and is divided by program area (e.g., economic restructuring). Often, however, a proposed training course supports two or more program areas and SOs.

Critical Assumptions. This FY 97 draft TP is premised on two major assumptions. First, although

Regardless of location, all training funded in whole or in part by USAID is subject to ADS 253 (USAID Training Policy Document).

April 1996 draft.

In-country training provided by TA contractors supports selected participants before and after U.S.-based or third-country training courses, creating a "seamless" training process with each component strengthening and building on other components.

All in-country training activity details are based on information available at time of drafting; see Appendix B.

the two documents⁵ on which the plan is based have not yet received approval, the TP assumes that they" or their major direction" will receive approval. Second, the TP assumes that the submitted budget" which contains funds for technical assistance contracts and funds available⁶ to the current training contractor, Partners for International Education and Training (PIET)" will be approved as estimated.

Strategic Objectives. The Mission has identified four major Strategic Objectives: SO 1: Reintegration of Populations Affected by Erdut Agreement; SO 2: More Competitive Market Oriented Private Financial Sector; SO 3: Improved Local Governance; and SO 4: Increased Citizens" Participation in Public Decision Making.

Funding/Prioritization. There are more course recommendations for U.S.-based training than funding and the budget can accommodate. The draft Mission "Results Review and Resources Request - FY 96" estimates that funding directly to PIET for Participant Training Project for Europe (PTPE) activities will be \$200,000. And in the Mission Strategic Plan, "PIET activities are expected to continue through the life of the program; however, beginning in 1996, only those PIET activities that directly support SOs outlined in the strategy will receive funding. Each SO team will be requested to indicate how much of the SO resources will be set aside to support PIET. These funds will then be transferred to the PIET line item. For future accounting purposes, PIET funding will remain under the special objectives category. The same methodology will be applied to EMED."⁷ No funds are provided for the Executive Management and Entrepreneurial Development program (EMED) activities in FY 97; thus, EMED is not included in this TP.

Although not yet confirmed, it has been reported that the PIET contract has been extended, and there will be no buy-in executed for the new global training contract in the near term. (The new global training contract [GBT] is expected to be awarded"as five indefinite quantity contracts [IQCs]"as early as June 1996.) The last two to three months of the PIET contract, however, will have to be devoted to "close out" activities. This may have a funding impact (negative) if monies have to be diverted to supporting the one-time startup costs of a new contract. Each USAID Mission will select one IQC contractor to administer all of its participant training.

Due to both lower funding levels and the need for participant training activities, course activities

Document #1: Strategic Plan, USAID/Zagreb (Stability and Opportunity for All" Toward Regional Peace), April 1996 or "Strategy"; Document #2: USAID/Zagreb, Croatia, Results Review and Resources Request"FY 1996, April 1996 or "R4." At the time of drafting .ID/Washington R4 team was working with USAID/Zagreb to refine these documents; indications suggested that general direction would remain .

The Mission has provided a baseline budget of \$200,000 for U.S.-based training for FY 97 to be supplemented by resources assigned to training ion SO teams in support of U.S.-based and third country training. For purposes of this TP, it is *assumed* that the amount is for training activities (i not include contractor OE and other costs).

reflect, where feasible, combined objectives that could be better addressed (i.e., greater in-depth focus) in two (or more) separate training activities but are sufficiently compatible to be combined into one activity.

TP Format. To address the funding situation cited above, the spreadsheet assigns priority to U.S.-based training courses, reflecting the importance of training to the achievement of SOs and IRs as well as course relationships to SOs. This "ranking" should facilitate implementation as funding (and additional monies) becomes available or reallocated. Courses labeled "A" are first priority for funding, followed by "B" and "C" courses. Within those labeled "A," courses are further ranked in ascending numerical order; courses labeled "A1" are the top priority within that program area. For example, "A1" courses will be offered in the economic restructuring program, the democratic initiatives program, and the humanitarian assistance program. Lower-priority courses "B" and "C" are included to provide USAID/Zagreb with suggested participant training activities in the event that more funding becomes available and/or the courses form the bases for TPs in FY 98 and FY 99.

Unless noted, dollar figures are the highest estimate based on the historical per participant cost of approximately \$9,000.

The narrative provides details on individual participant training activities and could form the basis for training implementation plans (TIPs) as well as provide language for requests for proposals (RFPs) from U.S.-based training providers. The narrative is divided according to USAID/Zagreb program areas: economic restructuring, democratic initiatives, and humanitarian assistance. Courses support SOs in one or more program areas.

Gender Target. According to records on previous years' training provided by PIET, USAID/Zagreb has met gender targets' 50 percent women participants. It appears from discussions with both TA contractors and Mission project officers that this target will again be satisfied in FY 97.

Language. USAID/Zagreb has previously sent participants with demonstrated English language skills. While this may continue to be the norm rather than the exception, some groups of participants will require the services of interpreters and translators.

Follow-On Activities. The 1997 TP recognizes the value of follow-on activities to enhance and reinforce the knowledge and skills acquired during U.S.-based and third-country training. In-country training activities offered by TA contractors and grantees before and after U.S.-based training create a "seamless" training process, with each component strengthening and building on other components. In-country training provides a foundation as well as continuing support to ensure a more productive overseas training experience.

Nomination Process. It is recommended that the "expanded" SO teams (specifically TA

contractors and other relevant resource persons, including the training contractor) be made responsible for nominations and (perhaps) final selection of overseas training participants can and should be made. If the SO team is involved in nominating and selecting participants, it is more likely that those "human resources" critical to the achievement of SOs and IRs will be screened and selected.⁸ The team will also vet participant nominees to ensure that group composition for each training activity is the most productive, with the least amount of discord or other disruptive factors that may impede the learning process. The nomination process suggested for the U.S.-based training program for labor union officials (see page 33) illustrates a transparent and open process. If approved, the TA contractor/grantee will nominate candidates who most successfully complete the in-country certification program.

Training of Trainers. Earlier overseas training has focused on "training-of-trainers" (TOT) courses. For FY 97, the recommended course activities call for a mix of approaches. Minimally, a TOT module will be part of most training activities, thereby providing techniques to promote the transfer of knowledge to colleagues and others.

Training Group Size. USAID/Zagreb recognizes the cost effectiveness of groups of between ten and 12 participants (i.e., economies of scale). Indeed, training records indicate that most training groups are composed of three to ten participants. Due to reduced funding for overseas training, it will often be necessary to send smaller groups of three to ten participants to reach SOs and IRs.

Cost Sharing. The Mission will continue to explore cost-sharing arrangements with both TA contractors and participants to supplement limited training funds. The Mission director is responsible for determining the requirement for host-country contributions (e.g., cost of international airfare).⁹ Cost sharing will lower the costs per participant, especially for smaller groups, which may allow for more such groups to take part in U.S.-based training. It has also been demonstrated that participants (and/or their employers) who are able to contribute to the costs of the training have a larger stake in the outcome of the training experience and thus become stakeholders.

USAID/Zagreb (as required by ADS 253) will select nominees (their employers, TA contractor, or other sponsor) and agree to the training objectives *in writing* in order that performance can be tracked, monitored, and reported on. This agreement will be a part of the Mission's evaluation and

As indicated in the strategic plan, "(e)ach SO team will be requested to indicate how much of SO resources will be set aside to support PIET; it is assumed that this could also include the identification of *human* resources to be supported by dollar resources. It is further suggested that members of the expanded SO team would bring their best candidates to the discussion table, screen the entire group, and then submit to USAID/Zagreb selection and approval a short vetted list of those candidates who could best support SO/IR targets. ADS 253 requires SO teams to ensure that human capacity development needs are planned and to assist the USAID human capacity manager (required position) in developing specific performance indicators related to results measurement.

The Deputy Assistant Administrator (DAA) for ENI issued a directive, effective July 1996, that international travel will be paid by host countries.

reporting documentation as outlined in its R4 document.¹⁰

U.S. Training Providers. When information is available or recommended, suggested U.S. training providers are listed. Only one course activity carries a *sole source* recommendation: labor union leadership skills.

At a minimum, it is preferable that prospective U.S. training providers should have basic, general knowledge of Central and Eastern Europe and specific knowledge of Croatia, especially its recent history and role vis à vis the Erdut Agreement. Potential training providers should also be advised that considerable in-country TA and training have been provided and that participants on the whole are well educated and knowledgeable, especially in their areas of interest and profession.

A training agreement between the Mission and participant or the TA contractor and participant, for example, would include development objectives, a program for achievement, a timetable, and measurable results.

ECONOMIC RESTRUCTURING

SO 2: Competitive and market-responsive financial sector
IR 2.2: Increased domestic liquidity
IR 2.2.1: Stock exchange functioning

USAID Project Office(r): Economic Restructuring; Zdravko Kuzmic

A1. DEVELOPMENT OF A CENTRAL REGISTRY FOR THE CROATIA STOCK EXCHANGE

Date of Training: 3rd quarter

Number of Participants: 6

Course Goal. To demonstrate the operational structure, administration, and management of a Western-style securities registry; to support the transition to internationally accepted standards

Course Objectives. Participants will be able to

- C identify the components of internationally accepted stock registration procedures and systems;
- C analyze and assess those most needed to support growth and international acceptance of the Croatia Stock Exchange (CROSEC);
- C adapt those appropriate to Croatia;
- C introduce U.S. standards and practices in the newly developing Croatian brokerage sector;
- C develop a plan of action for implementing a registry system at the Croatia Stock Exchange;
- C determine which types of services are necessary to support Croatian enterprises' applications to the stock exchange (financial records, auditing procedures and requirements);
- C institute rules of fair practice used in the United States; and
- C use computers and relevant software programs to facilitate CROSEC's mandate.

Course Components. Course components should include a mix of classroom presentations such as case study exercises and observational study tours to the SEC and registry agencies and departments, allowing sufficient time for meeting presenters and officials from the securities sector to discuss points covered, issues, and challenges. Internships are strongly recommended in registry departments.

Background. Between April and July 1996, a short-term technical assistance contractor (IBTC, Inc.) conducted an assessment of the current Croatian capital market sector for purposes of establishing a securities registration system in Croatia that is both transparent and conforms to internationally accepted regulatory systems. The Croatia Stock Exchange Commission has yet to become operational, although commissioners were to be appointed by the Croatian Parliament in

June.

A development hypothesis outlined in the Mission's R4 document states, "...increased investor confidence combined with increased domestic liquidity, sound macroeconomic policy and the existence of viable, profitable investment opportunities will result in a competitive financial sector capable of attracting domestic and foreign private investment necessary to fuel economic growth.... USAID has also provided technical assistance to the Croatian Securities and Exchange Commission (CROSEC) to establish procedures necessary to increase transparency and improve regulation of the private securities market. CROSEC is expected to become operational in 1996."¹¹ The Mission also expects (as a measure of progress) to establish a Croatian Securities and Exchange Commission and Capital Markets Oversight Committee.

Participant Profile/Selection. The USAID project specialist recommends selection of three commissioners from the Croatian Securities and Exchange Commission (CROSEC) and three from the central registry: one manager, one electronic data processing (EDP) staff member, and one other. (Refer to "Introduction" Nomination Process" above.)

Technical Assistance Contractor(s)/Grantee(s). International Business Technology Corporation (IBTC) (Giovanni Giarusso, 512-7383; François-Jude Pepin, Zavod za Platni Promet ul. Grada Vukovara 70/I; 6127-383). American Bar Association (ABA)/CEELI will work on legalities of CROSEC.

Suggested Follow-On Activities. The long-term TA adviser (yet to be identified) should be consulted for appropriate follow-on activities. At a minimum, participants should be prepared to share information, skills, knowledge, and techniques acquired during their U.S.-based training experience.

Special Considerations

- C Cost sharing: The Mission should explore cost sharing with CROSEC once commissioners and staff are appointed. It is likely that the exchange will have resources to fund training.

Suggested Training Provider(s). Training providers may include the Securities and Exchange Commission (general overview to be supplemented with appointments and internships), the Economic Institute (Boulder, CO), the North American Stock Exchange (NASE), and third-country exchanges with Poland, the Czech Republic, and others.

SO 2: More competitive market-responsive financial sector
IR 2.1: Increased investor confidence
IR 2.1.2: Improved bank supervision

USAID Project Office(r): Economic Restructuring; Zdravko Kuzmic

A2. BANK EXAMINATION AND SUPERVISION

Date of Training: 1st quarter

Number of Participants: 6-10 (20 nominees could be identified, with top six to ten selected by USAID and TA contractor) (see explanation under "Background")

Course Goal. To provide **practical** experience for National Bank of Croatia/Hrvatska (NBH) regulatory officials through field work; to demonstrate bank supervision techniques in U.S. banking institutions and roles of bank examiners and supervisors; to support the transition to internationally accepted bank policies and procedures

Course Objectives. Participants will be able to

- C analyze current NBH operations and make recommendations for improvement;
- C participate more actively in the design and implementation of bank examination procedures both on- and off-site;
- C prepare for a bank examination (financial reports, auditing reports);
- C conduct elementary on-site bank examinations from planning stage through report writing;
- C exercise effective off-site supervision, including early warning systems, trend recognition, and analyzing and assessing bank practices;
- C relate to banking colleagues lessons learned and observations, skills, and techniques acquired;
- C motivate colleagues to prepare for bank examinations by adapting Western-style banking systems and standards;
- C develop/design course work for continuing education for banking community in Croatia; and
- C share lessons learned and information, techniques, and skills acquired through U.S.-based training.

Course Components. Given that participants will have received several weeks of in-country bank training (and be familiar with terms and systems), classroom sessions should be kept to a minimum" primarily to review processes for conducting a bank examination, present objectives of field/on-site training, review observations, clarify lessons learned, etc.

A general and basic understanding" and observation" of a complete (U.S.) model of on- and off-site

supervision procedures is required. Accordingly, the group could be divided into two smaller working groups—one for skills development in on-site examinations and the other for off-site supervision and monitoring.

It is highly recommended that most training (not less than 80 percent) be conducted on-site at local, state, and/or national banks. It would be most beneficial for participants to "shadow" a bank examiner conducting a bank audit as well as to participate in the preparation for a bank examination. In-depth discussions with bank supervisors and bank examiners are also recommended to review observations, discuss challenges facing Croatia's banking community, build networks to establish ongoing sources of support and information, etc. Other topics include early warning systems, on-site supervision methodology, and accounting and reporting rules for the preparation of financial statements.

Background. While international standards of accounting and banking are in place, they have not been implemented as effectively as they could be; a desire to do so is there, but the technical expertise is lacking. Almost all staff in the bank supervision department of the National Bank of Croatia/Hrvatska (NBH) have received in-country training provided by Barents/KPMG (USAID-funded). Six seven-week classroom sessions were held in English and with an interpreter. At present, one TA adviser, who indicates that NBH examiners do not receive sufficient hands-on training,¹² conducts "on-the-job" sessions.

There has been no U.S.-based training to demonstrate and illustrate Western-style banking policies and procedures (using internationally accepted banking practices). In-country bank training could be greatly enhanced if bank personnel could observe the entire system as the transition toward Western-style banking policies and procedures unfolds.

In the opinion of the TA adviser, younger, English-speaking bank personnel would benefit immensely from observing Western-style banking operations and bank examination procedures and studying with American counterparts and role models.

As stated in the Mission's R4 document, "...USAID will focus resources on achieving two intermediate results: increased investor confidence and improved domestic liquidity. Increased investor confidence will be indicated by an increase in the total number of depositors in the Croatian banking system and total assets. Second tier intermediate results to increase investor confidence include more effective regulatory agencies, improved legal and regulatory framework, and Bank Rehabilitation."¹³ Progress towards meeting the intermediate results will be measured (1996 targets) by completion of an "[o]n site bank examination manual, [b]ank examination staff

According to TA contractor (Financial Institutions Advisor), it takes a minimum of three years for a U.S. bank examiner (evaluated by U.S. standards) to become qualified.

achiev[ing] basic level of audit and examination skills," and (1997 targets) "[o]ff site bank examination manual completed and [b]ank examiners achiev[ing] advanced audit and examination skills."¹⁴ The technical assistance contractor and/or USAID project officer should be contacted as the training agenda is developed.

Participant Profile/Selection. Participants should include younger, English-speaking personnel from NBH's Bank Supervision Department"those who demonstrated outstanding performance in in-country training sessions and therefore are able to assist with strengthening and building in-house capability of NBH to train other bankers. Nominations should be made by the TA contractor with USAID approval. (Refer to "Introduction"Nomination Process" above.)

Technical Assistance Contractor(s)/Grantee(s)

Barents/KPMG (Leslie Mathews; W. Jason George)
National Bank of Croatia, Bank Supervision Department
Jurisiceva 17, 10000 Zagreb, Croatia
Ph: (385 1) 45 64 912/45 64 555/45 64 907
Fax: (385 1) 45 64 911

Suggested Follow-On Activities. Follow-on activities should include workshop(s) with TA contractors to revise/refine current training curriculum and to provide training to colleagues in lessons, knowledge, and skills acquired during U.S.-based training. It is further suggested that returned participants would form a core for a mentoring program.

Special Considerations

- C Cost sharing: Explore the probability of NBH cost sharing per diem and/or other costs of training. It is probable that NBH could "match" USAID funding, i.e., underwrite the costs of five participants with USAID funding another five (ten is seen as the required "critical mass").
- C Participants will have received in-country training"at workshops and on-site"and TA support from in-country TA advisers who should be consulted on the training agenda.
- C FY 96 funding: With slots allocated to the economic restructuring (ER) program for banking and finance, the course could be funded in the last quarter of FY 96 or in the first quarter of FY 97 with carryover (PTPE) funds.
- C If additional funds are reallocated/identified for the PTPE project, a separate training activity for newly designated CROSEC commissioners (off-the-shelf SEC course plus meetings with U.S. counterparts) is recommended.

Suggested Training Providers. Training providers may include the FDIC Training Center (off-the-shelf), the Comptroller of the Currency, the American Bankers Association (state/national), the Federal Reserve Board, the Federal Services Volunteer Corps, and state banking agencies, among

others.

SO 1: Reintegrate populations affected by Erdut Agreement
IR 1.1.1: Employment and income-generating opportunities created

USAID Project Officer: Ross Wherry

B1. MICRO AND SMALL BUSINESS LOAN PROGRAMS

Date of Training: October 1996

Number of Participants: 8

Course Goal. To provide advanced training in micro and small business lending programs; increase knowledge of best practices and proven approaches that can be modified and applied to assist and support micro and small businesses in Croatia, especially areas in and around Sector East as transition activities are implemented; illustrate rewards for banks and financial institutions that provide loans to micro and small business enterprises

Course Objectives. Participants will be able to

- C describe U.S. micro and small business lending programs and models;
- C analyze models and identify advantages as well as disadvantages of adapting similar program(s) to Croatia;
- C identify rewards for banks and other financial institutions that provide micro and small business loans;
- C provide information on lending programs to the banking/financial sectors in Croatia;
- C write a draft plan of action for developing micro and small business lending programs suitable for Croatian cities and counties to include the following areas: enabling legislation (if required) to support micro and small business lending programs; development of proposals to partner with existing banking/financial institutions for implementing micro and small business lending programs; selecting and working with clients; evaluating soundness of plans for lending programs; principles of building a self-sustaining lending program; and required training of necessary staff.

Course Components. Course components should include classroom presentations (including interactive discussions with micro and small business lenders, role playing, and/or case studies) to be illustrated by on-site training at micro and small business lending institutions. Opportunities for meeting with small business development officials and specialists to discuss mutual areas of interest and challenges are encouraged. Further, discussions in small groups to review observations and lessons learned are recommended.

Background. A design assessment funded by USAID was underway as of May-June 1996. The expectation is that a small business loan program will be coordinated and cost-shared by multiple

donor organizations (U.S. government with Belgium, Germany, Sweden, and Denmark). In its draft strategy, USAID/Zagreb has determined that one of its "primary contributions will be to support development of a solid financial foundation for attracting private investment and supporting a modern market-based economy."¹⁵ This training program may be "pushed back" to FY 98.

The Mission's R4 document states that "...USAID will support creation of employment and income generating opportunities through a lending program for small and medium scale enterprises." Expected results over the life of the (USAID) program include "set(ing) up SME lending program and mak(ing) first loans."¹⁶

Participant Profile/Selection. Nominees should be selected from all ethnic groups from organizations such as NGOs, citizen groups, banks, and financial institutions that will be charged with providing economic support to business and that will be central to the development of capital markets in their cities and counties. Often, people assigned certain responsibilities or who operate in precise niches do not understand others' challenges and roles. Joint training should contribute to a greater understanding of various roles/responsibilities and points of view.

Nominees should be mid-level managers identified as "up and comers." Their status will help them view each other as peers. They should also demonstrate a talent/capability for training or providing information to others.

Technical Assistance Contractor(s)/Grantee(s). No technical assistance contractors are on board at present. However, an International Rescue Committee (IRC) program for micro enterprise development, which works primarily with displaced women and women refugees, is funded by the U.S. State Department Office of Population and Refugee Migration (PRM). (See Appendix B for additional details)

Suggested Follow-On Activities. Interactive workshop supported by the TA contractor/grantee or other small business lending experts should be presented and led by participants, with participants sharing knowledge, skills, and information with colleagues and others. In addition, training (in-country, U.S.-based, or third country) is recommended in the following types of courses: enabling legislation required to develop and support small business lending; roles and responsibilities of government institutions "local and national" to support private enterprise development; banking and small business loan programs; micro enterprise incubators and lending; and the government role in small business loan programs.

Special Considerations

C Cost sharing: Most likely impossible.

Strategic Plan, USAID/Zagreb (Stability and Opportunity for All "Toward Regional Peace), April 1996, p. 5.

pp. 4 and 5.

- C The training provider must demonstrate knowledge/awareness of Croatia's recent history, especially the history and understandings of the Erdut Agreement. It is highly recommended that the U.S. training provider contact the TA contractor/grantee and USAID for additional and specific details and information, especially with regard to participants and how training is expected to support U.S. government policy.

Suggested Training Provider(s). Training providers may include the U.S. Small Business Administration (national and state/local offices), the Association of Small Business Development Centers (SBDCs), individual SBDCs"many are affiliated with universities that could offer additional course modules, and the National Federation of Independent Businesses (NFIB).

SO 1: Reintegration of populations affected by Erdut Agreement
IR 1.1.1: Employment and income-generating opportunities created

USAID Project Officer: Ross Wherry

B2. MICRO ENTERPRISE DEVELOPMENT

Date of Training: 4th quarter

Number of Participants: 8

Course Goal. To illustrate qualities/components of successful micro enterprise development programs and how they can be applied/adapted in Croatia by focusing on programs targeted to women and displaced persons to support transition from dependent to supportive role; demonstrate functions of micro enterprise business incubators

Course Objectives. Participants will be able to

- C distinguish the different components in various models for micro enterprise development, including administration, startup operations, and financial systems (various types of loan programs suitable for micro enterprises);
- C analyze appropriateness of each model (and/or components) for adaptation to Croatian environment;
- C adapt ideas for micro and small enterprises observed in the United States for adaptation to Croatia;
- C identify information resources (e-mail, Internet, etc.) to provide ideas for income-producing micro enterprises;
- C prepare a draft business plan;
- C analyze advantages and disadvantages of micro enterprise incubator organizations;
- C determine which components of incubators would be suitable for Croatia and thus supportive of micro enterprise development; and
- C advise others on plans and systems, information and resources available, and skills and techniques useful to successful development of micro and small enterprises.

Course Components. Classroom sessions should be kept to a minimum and include role playing, drafting of a business plan, and hands-on use of computers and appropriate software programs. On-site training at micro and small enterprise support centers and incubators with presentations by and discussions with staff and U.S. micro-entrepreneurs is recommended. Another recommendation calls for visits to women's and disabled enterprise support centers (e.g., the YWCA's Displaced Homemakers Program and sheltered workshops run by the Salvation Army and the Mental Retardation Association).

Background. Most displaced persons (DP) live in private residences and must pay rent and utilities (especially heat). Five hundred women have been part of an IRC program (originally funded by the U.S. Department of State's Bureau of Population and Refugee Migration) that enabled them to earn money by making knitwear (later donated to the needy in Bosnia). The program piggybacked onto another mental health program for DPs by providing the women with professional care givers as well as with a place to meet, work, and talk among themselves.

An "expected result" listed in the Mission's R4 document is to "develop [an] economic reintegration and revitalization plan." One of the three areas of focus for USAID is "enabling populations (affected by resettlement and transition) to become economically productive."¹⁷

Participant Profile/Selection. Nominees should come from groups that have received some TA training and assistance and that evidence strong leadership and training capabilities. Most nominees should be displaced persons" primarily women in their 40s who are the sole support for their families (due to the loss of a spouse or a disabled spouse). Support is needed to assist these women and their "sisters" with the transition into their new role of family provider. Training in basic business (micro enterprise) skills is needed for this group to ensure survival and prosperity.

Technical Assistance Contractor(s)/Grantee(s). IRC (Robby Henes; c/o Iblerov trg 9, Croatia; ph: 412-714, 419-696; fax: 411-243) with Delphi STAR Program (Jill Benderly; Kneza Mislava 11, Croatia; ph: 413-848; fax: 413-490)

Suggested Follow-On Activities. Follow-on activities should include TA to work with returned participants to support the development of new micro enterprise ideas; workshops to share knowledge and information with others; support for planning expanded micro enterprises, etc.

Special Considerations

C Cost sharing: Not possible. Most nominees are women, who are the sole breadwinners for their families due to a deceased or disabled spouse.

Suggested Training Provider(s). Training providers may include the U.S. Small Business Administration/Business Development Office (contact: Allen Mandel; ph: 202/205 6485; fax: 202/205 7416) and the National Association of Business Incubators, among others.

HUMANITARIAN ASSISTANCE

SO 1: Reintegration of populations affected by Erdut Agreement
IR 1.2.2: Increased interethnic reconciliation/interethnic dialogue facilitated
IR 1.3: Affected populations develop improved coping skills

Project Office(r): Humanitarian Assistance; Tamara Sterk

A1.COMMUNITY CENTERS: ROLE, ORGANIZATION, DEVELOPMENT

Date of Training: 1st quarter

Number of Participants: 6

Course Goal. To demonstrate role and effective use of community (or neighborhood) centers to support citizen needs during the transition; illustrate what a model community center does (can do), with primary emphasis on community-based programs that support interethnic reconciliation and dialogue

Course Objectives. Participants will be able to

- C observe the organizational structure of community assistance centers;
- C adapt those administrative, operational, and program models best suited to (Sector East) Croatia;
- C design and develop public awareness programs for target audiences;
- C conduct needs assessments and surveys in individual communities;
- C develop plans of action (strategy) to meet needs identified by community survey;
- C design membership recruitment and outreach strategies;
- C contact U.S. counterparts for ongoing information, assistance, and support; and
- C instruct and share with colleagues the knowledge, techniques, skills, and information acquired.

Course Components. The course builds on a training course offered in 1996. Minimal classroom presentations should include refinement (and revision, if required) of the training agenda and an overview of the roles and activities of community centers, including presentations by community center activists, case study exercises, and role playing. Most training should be on-site and involve community center staffs and volunteers as well as participation in day-to-day operations. Appointments and discussions with community center leaders (boards), staff, and volunteers as well as opportunities to meet with other types of citizen support centers (e.g., refugee assistance centers) are also recommended. All nonclassroom activities should be preceded with an overview of the objectives of the training activity and followed with an in-depth (facilitated) discussion among participants about observations, lessons learned, plans of action to follow up with contacts, or techniques acquired.

A "training-of-trainers" module to refine participants' abilities to share knowledge with colleagues

is also recommended along with access to and hands-on use of the Internet and other computer programs to facilitate and support participants' efforts in identifying continuing sources of support. It may also be helpful to participants to visit sheltered workshops and shelters for abused spouses and children.

Background. A U.S. organization called the Immigrant Refugee Center of America (IRCA) sponsored one American for two years to work with local staff on organization and development. At the end of the period, local staff took over the organization function and formed a local group called Friend (located in Zagreb), which serves as a model for Croatia. Staff for Friend indicate that they (and others who have received training in community center development) would benefit from additional training in order to continue providing in-country support to other community center NGOs. NGOs have received in-country training and support from technical assistance contractors and grantees (e.g., management, fundraising, presentation skills).

In a complementary project, America's Development Foundation (ADF) has submitted a new proposal to set up legal assistance centers to help refugees and displaced persons obtain Croatian citizenship. (See Appendix B.)

Participant Profile/Selection. (Refer to "Introduction" Nomination Process" and "Background" above.) Nominees will be primarily community center staff leaders and trainers from Sector East.

Technical Assistance Contractor(s)/Grantee(s). IRC (Mirela Despotovic; Iblerov Trg 9/IV, 10000 Zagreb; ph: (385 01) 4550-7770, 4550-005, 4552-661; fax: (385 01) 4550-898; e-mail: UMBRELLA_GRANT@ZAMIR-ZG.ZNT.ZER.DE)

Suggested Follow-On Activities. The TA contractor should provide follow-on support and assistance and intends to involve returned participants in workshops and seminars so that knowledge and skills acquired may be shared with others in community.

Special Considerations

- C Cost Sharing: May be difficult unless an outside foundation (e.g., the Soros Foundation) provides assistance with airfare and/or per diem costs.
- C The training provider should demonstrate background on Croatia, especially recent history and developments in humanitarian efforts (in Sector East).

Suggested Training Provider(s). Training providers may include the Institute for Training and Development (connected with the University of Massachusetts at Amherst), the American Cultural Exchange (Seattle, WA), the Counterpart Foundation, and the YWCA/YMCA.

SO 4: Increased, better-informed citizen participation in political decisions
IR 4.2: Increased balance in media reporting (NGOs advocating public issues)

USAID Project Office: Democratic Initiatives/Humanitarian Assistance

A2. NGOs: COALITION BUILDING" TECHNIQUES AND SKILLS FOR DEVELOPING SUSTAINABLE ORGANIZATIONS

Date of Training: 2nd Quarter

Number of Participants: 6-8 (with additional groups, funds permitting)

Course Goal(s). To build the long-term institutional sustainability of coalitions and associations of nongovernmental, nonprofit groups to strengthen their capacity to participate in and support democratic and economic reform; introduce and demonstrate U.S. processes, strategies, and rewards of effective coalition/association building as a mechanism for strengthening a nongovernmental voice through numbers and shared resources; provide participants with techniques to implement effective, cooperative strategies for participating in legislative policy making, economic restructuring, and community decision making; introduce the concepts, tools, and skills needed for coalition building; support transition from "standalone" single-issue/special interest focus to "strength in numbers" for issue advocacy, sustainability (fundraising) focus.

Course Objectives. Participants will be able to

Canalyze advantages of coalitions to strengthen effectiveness of NGOs in influencing legislation and policy making, economic restructuring, community decision making, etc.;

C adapt coalition strategies that are applicable to Croatia"s NGO environment;

C develop realistic methods for applying strategies, techniques, and skills to Croatia;

C identify international organizations that will serve as continuing sources of information and support;

C build and increase more effective coalitions of organizations to support mutual goals and objectives;

C increase broad-based support for issues and for pooling resources;

C strengthen and expand public awareness and support for citizen initiatives;

C develop techniques to address a deficit of resources;

C lobby government bodies to influence legislation and participate more actively and effectively in political processes and community problem solving to support political and economic reform programs;

C prepare draft action plan to create coalitions; and

C share information with colleagues.

Course Components. Depending on funding as it relates to number of participants,¹⁸ part one of

If additional funds are identified or reallocated, a number of small groups could be sent out by special interest/issue area; if funding is available

the course would cover general strategies applicable to several different types of Croatian NGOs. Participants would be leaders who have indicated a desire to form coalition groups to strengthen their work in the area of support for women's issues, trauma support, human rights, etc. Training providers should focus on sustainability and self-financing; participatory leadership" both horizontal and vertical models; and coalition and relationship building between NGOs to achieve mutual goals. Minimal classroom sessions should include role playing and presentations by NGO leaders on challenges they have faced and overcome (especially in the areas of sustainability, fundraising, and coalition building). Modules to increase leadership skills, improve interpersonal relationship skills, and allow for minigroup sessions of similar NGO participants to foster and promote the idea of working together for mutual objectives are also recommended. Site visits should include coalition/membership associations; professional associations; political groups; community-based coalitions; nationally networked, issue-oriented coalitions; and city-level, intersectoral coalitions. Part two would divide participants by special-interest area"women's issues, trauma, citizen advocacy" for on-site training; internships, shadowing counterparts, and participating in NGO programs and activities; observing models; and meeting and holding discussions with U.S. counterparts and potential international partners. Highly recommended are placements with similar U.S. organizations, with participants actively engaged in group projects (e.g., strategy development, coalition-building efforts, fundraising events, public awareness activities). Suggested, too, are facilitated discussions with U.S. counterparts to cover challenges, options to meet those challenges, short- versus long-term objectives, shared experiences, etc.

The Mission's past and current portfolio of activities contains several support projects for the organization, development, and sustainability of a wide range of local (Croatian) NGO entities" many of which are single-focus/special-interest groups. Most were not aware of draft legislation that would affect their operations (see Appendix B on ADF activities). An "earmark" of progress as indicated in the Mission's R4 document is that "NGOs will open a coordinated campaign to improve the legislation affecting their operations. They will also begin to work closely with selected cities to define areas where NGOs can carry out programs with city funds."¹⁹

Background. Significant numbers of in-country training programs have focused on organizational development, e-mail communication, leadership skills, media and public awareness techniques, etc., for a wide variety of Croatian NGOs. Participants evidence a fundamental understanding of NGO creation and development, operations, management, and working with the media. However, limited efforts to form NGO coalition groups have failed. As funding for NGOs decreases, it will be advisable for groups to coalesce to share information and resources, engage in joint fundraising programs, and support a more prominent platform for their constituencies. Technical assistance contractors and/or the USAID project office can provide background on NGOs in Croatia and

only one group, group composition should include representatives with a strong desire for coalition building in key areas.

training programs provided to date.

Participant Profile/Selection. TA contractors and grantees involved in providing support and in-country training should nominate trainees for final selection by USAID (see also "Introduction" Nomination Process" above). Nominees will have participated in training and workshops on the fundamentals of NGO development and organization. Further, nominees must demonstrate strong leadership skills and moderate success in their organizations and be likely to benefit from additional training and exposure to working models, management systems (as opposed to one-person leadership styles), and short- and long-term strategic planning. Nominees are primary decision makers who can articulate their organization's concrete issue or mission and are interested in expanding its support base.

Technical Assistance Contractor(s)/Grantee(s)

- C Delphi International, STAR project (Jill Benderly; Kneza Mislava 11; Zagreb; ph: 413-848; fax: 413-490)
- C IRC (Mirella Despotovic; Iblerov Trg 9/IV, Zagreb; ph: 385-1 4550-770/4550-005/4552-661; fax: 385-1 4550-898; e-mail: UMBRELLA_GRANT@ZAMIR.ZG.ZNT.ZER.DE)
- C ADF (Tia Pausec; Draskoviceva 13/31; Zagreb; ph/fax: 455-4831)
- C CRS/SPA (Dragan Jusupovic; J. Gotovca 1, Zagreb; ph: 385-1 45-53-154/45-53-159/45-53-202; fax: 385-1 45-53-128)

Suggested Follow-On Activities. Activities should include workshops for sharing U.S.-based learning experiences, including interactive discussions on advantages and disadvantages of coalition building. Support should be provided by one or more TA contractors that would also assist in the design/development/implementation of the plan of action to form relevant coalition(s).

Special Considerations

- C Cost sharing: Foundations such as Soros may be contacted to provide airfare and per diem expenses for participants whose organizations are unable to contribute to the cost of training.
- C Most if not all participants will have received in-country training and will in all likelihood continue to participate in training and other technical assistance programs upon return.

Suggested Training Provider(s)/Resource(s)

- C National Coalition Building Institute, Washington, DC
- C Women's Way, Philadelphia, PA
- C United Way/Combined Federal Campaign
- C National Democratic Institute (NDI)/International Republican Institute (IRI)/International Foundation for Election Systems (IFES)
- C Refugee Assistance Centers
- C American Red Cross
- C American Cultural Center
- C Institute for Training and Development
- C World Learning, Inc.

- C Advocacy Institute, Washington, DC
Maureen Burke, Director of Training Programs, 1707 L Street, NW, Suite 400, Washington, DC 20036, ph: (202) 659-8475; fax: (202) 659-8484
- C National Training and Information Center
Gail Cincotta and Shel Trapp, 810 N. Milwaukee, Chicago, IL 60622, ph: (312) 243-3035/ 243-7044
- C Community Technical Assistance Center (C-TAC), Boston, MA
William Slotnik
- C Mid-West Academy
- C Johns Hopkins University
- C Common Cause
- C National League of Women Voters

DEMOCRATIC INITIATIVES

SO 3: Improved local governance
IR 3.2.1.3: Increased popular involvement
SO4: Increased citizen participation in public decision making
IR 4.2: Increased balance in media reporting

USAID Project Office(r): Democracy Initiatives; Slavica Radosevic

A1. ROLE OF AN INDEPENDENT MEDIA

Date of Training: As soon as possible to take advantage of U.S. election cycle

Number of Participants: 8

Course Goal. To demonstrate "best practices" of news gathering in a democracy to supplement in-country training, focusing on pre- and postelection coverage; provide techniques and skills to support transition from state-controlled to independent media

Course Objectives. Participants will be able to

- C describe roles and responsibilities in covering and reporting all types of news events (e.g., political, financial, economic, human interest) with special focus on pre- and postelection coverage;
- C expand information provided on candidates and issues, including holding candidates "feet to the fire" on platform and stands;
- C practice exit poll interviews;
- C determine citizen rights to information;
- C apply knowledge of citizen rights to media presentations;
- C determine function of "sunshine laws" and their applicability to Croatia;
- C develop a code of ethics for Croatian media; and
- C relate the multiple roles and responsibilities of (small) independent media in the United States to the operations of similar organizations in Croatia.

Course Components. Course components should include minimal classroom presentations by members of the media community. A class discussion with leading U.S. journalists on the impact of the Council of Europe's decision as it relates to a free media is encouraged. Overviews on U.S. media coverage should be demonstrated by "shadow" training with on-assignment media reporters (preferably election/campaign coverage) and/or by short-term internships at various media organizations' local, state, and national if English language skills are sufficient to make such activities productive; otherwise, meetings with professional journalists and demonstration of state-of-the-art equipment used by American journalists are encouraged. Attendance at media and press conferences is requested as are meetings/discussions with management of small, independent media outlets. An observational study tour to a journalists' association is also suggested.

Background. As stated in its R4 document, "USAID/Zagreb"s hypothesis for increasing citizen participation is that increased transparency and openness of the political process and a more equitable balance in the media will lead to increased and better informed participation by Croatian citizens in their government.... The central problem around which issues of democracy revolve is the concentration of power in the executive branch of the national government. Croatia is moving away from its wartime footing, removing any practical justification for undue concentration of power in the executive. Croatians now feel that they can afford to criticize this concentration. The 1996 city and county elections, the 1997 presidential election, and the 1998 parliamentary elections provide an unparalleled opportunity to incrementally improve the democratic process. There are insufficient independent media outlets to credibly counter television and other state controlled media. Croatian NGOs and newspapers must assume a defensive posture, preserving the space available to them and pushing the envelope where possible."

"Since 1991, numerous radio stations and newspapers have opened, increasing demand for reporters and editors. Demand has been filled in part by journalists trained at the USAID-financed media resource center of the Department of Journalism, University of Zagreb, and through an improved journalism curriculum, achieved with USAID"s assistance, also at the University of Zagreb. Technical assistance and training financed by USAID has strengthened the coalition of seven parties called "KOSPI," involved in election monitoring; the five-party "New Sabor" coalition; and a nascent interest group composed of women political leaders." Further, "[A] mainstay of the policy dialogue for open media is the discussion of Croatia"s entry into the Council of Europe, and how it will comply with the Council"s media standards."²⁰ USAID supports an increase in the number of reporters and editors with enhanced ability to present balanced news stories.

IREX has received a USAID grant for in-country skills training of regional journalists. The grant continues the in-country training previously provided while strengthening the School of Journalism at the University of Zagreb as well as the development of a media center (Freedom Forum) in the capital city.

Participant Profile/Selection. Participants should include independent media representatives from regions outside Zagreb (including at least one participant from Sector East), preferably mid-level professionals who are more "open" to innovative methods of reporting. In addition, participants may include senior-level students from the School of Journalism to provide a practicum as part of their university experience. One possibility calls for identifying leadership talent (in journalism) from these two groups. The current USIS officer²¹ has indicated a preference for more U.S.-based and in-country training courses offered by a variety of resource providers (i.e., USIS/Croatia did not

pp. 15-16.

Douglas Davidson, First Secretary for Press and Culture, U.S. Embassy Croatia.

consider media and journalism training its exclusive mandate). (Refer to "Introduction" Nomination Process" above.)

Technical Assistance Contractor(s)/Grantee(s). IREX

Suggested Follow-On Activities. Follow-on activities should include in-country seminars/workshops that provide participants with the opportunity to share and review knowledge, skills, and technical expertise acquired. Individual participants could be requested to serve as lead presenters for regional workshops.

Special Considerations.

- C Cost sharing: May be difficult for smaller, regional, independent journalists; they could, however, be asked to provide services upon return (see "Suggested Follow-On Activities" above).
- C Potential journalist-hosts may be identified from lists of U.S. experts who have conducted in-country training (available from Freedom Forum and IREX).
- C TA contractor(s), other resources, and/or the USAID project officer may be contacted to provide additional background and information on in-country training already provided (to avoid repeating course content already covered unless requested).

Suggested Training Provider(s). Training providers may include the Mississippi Consortium for International Development (MCID), the University of Indiana, and Internews, among others.

SO3: More effective, responsive, and accountable local government
IR 3: More effective, responsive, and accountable local government

USAID Project Office: Democratic Initiatives/Humanitarian Assistance

A2.EXECUTIVE LEADERSHIP DEVELOPMENT FOR CITY/COUNTRY OFFICIALS

Date of Training: 1st quarter, 2nd quarter, 3rd quarter (after elections)

Number of Participants: Three groups of 10 each (see note under "Background")

Course Goal(s). To develop participatory leadership skills of (recently) elected and appointed county and city officials; strengthen local government to make it effective, responsive, and accountable to its citizens; examine innovative and best practices of U.S. city management at the mayoral and vice mayoral levels, including innovative city management, management of services and budgets, management and use of city property, activities of NGOs, and use of NGOs to provide city services; support the transition to effective and transparent local self-government; encourage dialogue between and among city/county officials

Course Objectives: Participants will be able to

- C identify and analyze how roles and responsibilities between respective levels of government in the United States are defined and work together;
- C communicate a vision for reform goals to the respective levels' administrations and citizenry;
- C understand the need for accountability and transparency in the operations of local government;
- C increase and strengthen the efficiency of government operations (focus areas include infrastructure renovation and maintenance and social service programs dealing with the homeless and refugee communities);
- C involve more citizen and advocacy groups in the government decision-making process;
- C practice active, nonjudgmental listening skills to gather all points of view from various constituency groups;
- C incorporate feedback from local interest groups, including NGOs, and individual citizens in the government decision-making process and into the drafting of local government laws;
- C develop steps to improve working relationships with citizens, special-interest groups, NGOs, etc., as well as among city and county officials; and
- C share knowledge, insights, and skills with colleagues.

Course Components. In addition to classroom presentations (by local government officials), course components should include role playing, interactive participation (e.g., using new listening skills), and site visits to local (city) departments, institutions, and agencies for practical demonstration and illustration of classroom topics. If possible, participants should be permitted to "shadow" American counterparts, especially in departments responsible for city assets, social

service programs (for the homeless), and administration or financial departments. The course should also provide opportunities for discussion of areas of mutual interest and challenges met/faced" infrastructure maintenance and displaced (homeless) persons.

Small group discussions to clarify objectives of observational study tours and on-site visits should be encouraged, with postsite discussions to review observations and their applicability to Croatia. To encourage an exchange of ideas and challenges faced, groups should be made up of individuals with different backgrounds. One or more discussion facilitators should monitor group discussions. It may be advisable to provide "after-hours" meeting areas if groups wish to continue discussions.

Background. To develop a "critical mass," at least 30 of the 70 newly elected city/county officials would need to be exposed to democratic government forms and the relationships between local governments and national governments. Further, USAID/Zagreb has designated the rebuilding of Eastern Slavonia as a high priority. The Mission will be engaged in the transitions occurring in the region and will be a major facilitator in setting up local government when the United Nations Transitional Administration for Eastern Slavonia (UNTAES) role and responsibility terminate. Below is a synopsis of Sector East.

"Eastern Slavonia contains the last piece of Croatian Territory still occupied by rebel Serbs. The war resulted in major damage to buildings and infrastructure in the area and forced large scale movements of displaced persons into and out of the area. Under the terms of the Erdut Agreement, the area will be returned to Croatia after a 12-24 month period of U.N. Transitional Administration for Eastern Slavonia (UNTAES). Peaceful reintegration of the area is crucial to long term stability in Croatia and the regions...."

"...Under its current mandate, UNTAES is responsible for demilitarizing the area and overseeing the process of transferring civil authority back to Croatia. The U.S. played a major role in brokering the Erdut Agreement and is providing substantial financial and human resources to support UNTAES operations. Additional support through USAID is needed to demonstrate to the GOC and populations in the region specific U.S. commitment to ensuring successful implementation of all aspects of the agreement (particularly protection of human rights), to fill gaps not covered under UNTAES" mandate (e.g., economic reintegration and revitalization of all of Slavonia), and to encourage the earliest involvement of other donors and development partners to mobilize resources needed to undertake a major reconstruction and recovery program for the region. USAID"s program for Eastern Slavonia will be focused on settlement of populations and creation of conditions necessary for successful reintegration into productive society. Central to the process of reintegration will be the reintegration and revitalization of the region"s economy....²²"

A narrative analysis contained in the Mission"s R4 document supplies the following information:
"The central problem to be addressed under the local governance SO is the need for

Excerpted from "Strategic Plan ... USAID/Zagreb," April 1996 draft. Additional details are provided in the plan on pp. 10-11.

decentralization to offset the concentration of power in the executive branch of the national government. City governments embody far greater pluralism than does the national government. In October 1995, 27 of 70 mayorships and 5 of 21 county executives were opposition party members. Opposition parties hold strong positions on 49 city and 8 county councils. City and county councils will be elected nationwide in summer 1996 (the precise date has not been set) for a three year term."

"...USAID/Zagreb views city governments as the most likely near-term counterbalance to the strong central government. City government is also a major source of future members of parliament and ministers. Moreover, innovation in governance and true multiethnic programs will be more likely to occur in the cities than at the national level, due to the greater openness already evident in the city councils. The cities maintain a greater acceptance of pluralism than does the central government, reflected in the number of cities with opposition mayors and large opposition factions on their councils."

"...In Eastern Slavonia, city officials are key to the peaceful reintegration of their citizens. The Erdut Agreement provides for elections of local leadership prior to the departure of UNTAES in 1997. Until then, governance in the area will remain in limbo with the current Serb structure preparing to yield to a Croatian structure during the U.N. administered transition.... Communication among the Eastern Slavonia cities and those of the rest of Croatia should also begin without delay."²³

Participant Profile/Selection. Participants should include newly elected leaders from cities and counties throughout Croatia with special emphasis on those from Eastern Slavonia and the city of Vukovar (as indicated in the Mission's R4 document). The group will reflect significant diversity. USAID will screen all nominees and select finalists. (Refer to "Introduction" Nomination Process" above.)

Technical Assistance Contractor(s)/Grantee(s). The Urban Institute's in-country representative is not yet in place. The contract is at present managed out of Budapest.

Suggested Follow-On Activities. Follow-on activities should include facilitated discussions and workshops to review U.S. models observed and knowledge and information acquired during training.

Special Considerations

- C Cost sharing: Will be minimal with city/county governments picking up costs of airfare.
- C The training provider should have experience with the CEE region and demonstrate knowledge of Croatia's recent history, especially the Erdut Agreement. (The TA contractor and/or USAID project officer must be contacted to provide additional background information and participant details.)

Suggested Training Provider(s). Training providers may include the International City Managers Association (ICMA), the Institute for Public-Private Partnerships, the Research Triangle Institute (RTI), and the Institute for Peace, among others.

- SO 4: Increased, better-informed citizen participation in political decisions
- IR 4: Increased, better-informed citizen participation in political decisions
- IR 4.1.1: Sustainable campaign finance systems for all parties
- IR 4.1.2: Increased emphasis on issues and positions

USAID Project Office: Democratic Initiatives

A3. CIVIC ADVOCACY AND ELECTION SYSTEMS

Date of Training: ASAP to take advantage of U.S. election cycle

Number of Participants: 8-10

Course Goal(s). To illustrate lessons learned through in-country training seminars and workshops, especially in the areas of message delivery, campaign finance, and political party development; support the participation of issue-based, nonpartisan, nongovernmental, nonprofit organizations and citizen initiatives in democratic election processes in Croatia; strengthen transition to transparent and open political processes

Course Objectives. Participants will be able to

- C strengthen and emphasize civic participation in the election process;
- C determine methods to increase citizen awareness of issues and candidate platforms;
- C demonstrate the role of issue-based advocacy campaigns in political processes and elected government decision making;
- C adapt U.S. models, systems, and procedures to the Croatian environment;
- C analyze the impact of issue-based advocacy programs before, during, and after an election as a means for advancing specific issues;
- C develop model strategic plans for issue-based advocacy campaigns during the election period;
- C promote concrete legislative initiatives as an effective method of garnering broad-based support and attracting media attention to further a government-related interest or issue; and
- C present to colleagues knowledge, skills, and techniques learned.

Course Components. Most course time should be spent at political party operations at the local and state levels with, if possible, an observational study tour to a national party function or office. Time should also be spent at an active local or state campaign headquarters with clear guidance on the objectives for on-site training. The translator must demonstrate adequate English-Croatian skills in political terminology and slang to provide simultaneous translation during what may be an especially hectic time for the U.S. hosts. In-depth discussions following on-site training are required to clarify observations and acquired knowledge and skills. (For those participants with advanced English language capability, they should be paired with a political party volunteer-host.)

The following areas deserve special focus: message delivery (media, advertising, development of

copy, use of focus groups, role of consultants, etc.) and polling (for developing campaign strategy, public opinion research, exit polling, telephone banks, etc.).

Participants are especially interested in meeting with and talking to candidates and elected officials, political party officials and operatives (consultants), campaign officials, and citizen advocacy representatives at the local and state (and, where possible, national) levels.

Background. USAID/Zagreb is operating a ten-month program of political party development. Most of the support and in-country training occurs in areas outside Zagreb and is provided by one American expert and one European (e.g., UK) expert who deliver one- to two-day seminars in political party development. Many Croatian attendees are "repeats" who have taken a number of seminars on different topics and form a corps of political party "activists." The technical assistance contractor (NDI) is providing predeparture training and has provided/will provide follow-on support to participants.

Other related U.S.-based courses were offered in 1995 and 1996. Participants report that most on-site training with campaigns was not productive in that campaign staff were too busy to provide much direction or explanation while the language barrier proved a disadvantage. (See "Course Components" above for recommended change.)

Participant Profile/Selection. Nominees should come from provinces/regions to form a "core" group of activists/leaders to strengthen democratic systems of governance, especially in political party building and democratic elections. (Refer to "Introduction" Nomination Process" above.)

Technical Assistance Contractor(s)/Grantee(s). NDI (Tratinska 34/1; Zagreb; ph/fax: 331-224)

Suggested Follow-On Activities. Participants should be prepared to share their U.S. training experiences with colleagues at seminars on political party development and roles as scheduled by TA contractors.

Special Considerations

- C Cost sharing: Not likely. Participants from provinces are unlikely to have funds for training.
- C Group composition: Before the final participant group is determined, nominees should be screened by expanded SO team(s) to ensure compatibility and to avoid any disruption to learning when the group is in the United States.
- C The training provider(s) should be aware and sensitive to political history, issues, and climate in Croatia.

Suggested Training Provider(s). Training providers may include NDI, IFES, IRI, the American University (Washington, DC) Campaign School, the League of Women Voters, and Common Cause.

SO4: Increased, better-informed citizen participation in political decisions
IR4: Increased, better-informed citizen participation in political decisions
IR4.1.2: Increased emphasis on issues and positions

USAID Project Office(r): Democratic Initiatives; Slavica Radosevic

A4.LABOR UNIONS: LEADERSHIP SKILLS ENHANCEMENT

Date of Training: June 1997

Number of Participants: 10

Course Goal. To develop curriculum and training techniques to enhance leadership skills for union representatives; increase political awareness and participation; support transition to a proactive, assertive role for union leadership on behalf of union members

Course Objectives. Participants will be able to

- C formulate draft curricula for union leadership development programs;
- C organize training workshops to develop union leadership;
- C present technical modules at training workshops, especially in but not limited to the following: collective bargaining, organizing/membership recruitment, and employee councils;
- C identify members with potential leadership capability;
- C implement appropriate adult teaching methodologies;
- C more effectively communicate goals and objectives of unions, including need for continuous training; and
- C present to colleagues and others skills and information acquired.

Course Components. The George Meany Center will develop a course that will include classroom instruction and site visits to companies that illustrate good and harmonious labor/management practices.

Background. Although management did not control Croatian trade unions, the unions' role and function were not defined by government. Nonetheless, membership in unions was mandatory, although a "self-management" system operated in Croatia (a separate committee composed of party and management officials made management decisions without trade union input). In January 1996, a new labor law that is particularly broad in scope was enacted to enable trade unions to engage in collective bargaining and other activities. At the same time, a new system of employee councils was established, requiring every employer with 20 or more employees to allow for employee councils composed of elected members. The councils coexist with trade unions, with union members eligible to run for council seats. Under the new law, union bargaining results apply only to union members, but in practice apply to all. (The Minister of Labor can extend, in writing,

union benefits to all employees.) Given that most industries do not have settled contracts, the law is expected to be "tested" in the courts.

The TA contractor (Free Trade Union Institute/AFL-CIO" FTUI) has been providing two- to three-day workshops (interactive/participatory) for the last year and a half; topics have included collective bargaining and negotiation skills and techniques. Workshops are organized and presented by the director of FTUI with several outside experts (often recommended by the Meany Center in Silver Spring, MD).

Other country donors, including Denmark and Germany, exposed limited numbers of union leaders to union systems in their countries. The overseas training consisted primarily of observational study tours and stressed the adoption of respective country union systems rather than skills training. No U.S.-based training has been provided to date.

FTUI, working with an advisory council composed of representatives from the five major union federations (collections of individual unions), has recently designed a self-certification training-of-trainers program to develop skills and techniques for union leaders throughout Croatia. The council has established "strict" requirements for certification. Forty-seven participants have been identified for the first offering and are expected to prepare and present a training module that will be evaluated by colleagues and trainers. (The program is modeled after a program successfully implemented in Bulgaria, also with USAID funding.)

The Mission has identified the following "target" in its R4 document: ever-increasing numbers of "labor union officials will be aware of the contents of the Labor Code and Privatization Law and the procedures it establishes and 20 officials will be able to monitor labor compliance."²⁴

Participant Profile/Selection. FTUI proposes nomination of ten of the "best" graduates of the first program cited above for the present course to supplement and refine acquired skills and techniques.

Technical Assistance Contractor(s)/Grantee(s). Free Trade Union Institute/AFL-CIO" FTUI (Rudy Porter, Director; Masarykova 20/I, Zagreb; ph: (385-1) 4551-333; fax: (385-1) 424-930)

Suggested Follow-On Activities. As part of the program cited above, the TA contractor will work with returned participants to design and present skills training workshops throughout Croatia, first as a supporting partner and later as an adviser to an ongoing, self-sustaining program. The TA contractor expects that participants will conduct at least one training workshop per week upon return. A focus of these workshops is discussion of the content and intent of the Labor Code and other pertinent and associated legislation.

Special Considerations.

- C Cost sharing: Not possible at this time if representatives from all union federations are to be eligible for nomination (only one federation "the largest" has the financial resources to cost share). The lack of cost sharing is mitigated by the fact that the suggested training site will not charge a tuition fee.
- C Selected participants will come from the top of the first "class" on labor union training and thus demonstrate a foundation for more advanced learning.
- C The training provider must demonstrate knowledge of Croatia's labor history and current status and of the new Labor Code and Privatization Law.

Suggested Training Provider(s). A sole-source contract is recommended with the Meany Center in Silver Spring, MD, for the following reasons: tuition waivers will be available for all participants; the center enjoys a national reputation for excellence and access to practitioners and academicians; the curriculum will be tailored to the Croatian environment; the center has developed and presented similar courses to other CEE countries; and the FTUI in-country representative will provide pre- and postdeparture TA support.

SO 2: A more competitive and market-responsive private financial sector
IR2.2.3: Improved pension fund portfolio management

USAID Project Office(r): Democratic Initiatives; Slavica Radosevic

B1.IMPROVED UNION-MANAGEMENT-GOVERNMENT RELATIONS

Date of Training: October 1996

Number of Participants: 6

Course Goal. To demonstrate successful union-management-government relations resulting in income/employment-generating enterprises; provide options for improving pension system in Croatia; learn latest theories and methods of constructive labor-management relations to avoid loss of productivity due to industrial conflict; support transition to a tripartite "checks and balance" relationship to achieve goals that are not exclusive to any one group

Course Objectives. Participants will be able to

- C analyze components for successful union-management-government relationships in public and private enterprises;
- C practice skills and techniques required to improve communication among union-management-government to achieve mutual goals;
- C identify appropriate public and private employee pension systems that are sound and provide adequate retirement/disability income for members; and
- C share with colleagues insights, knowledge, and skills gained during training.

Course Components. The course components should include minimal classroom sessions, which should feature case studies of successful union-management-government relationships as well as role playing opportunities and an overview and analysis of U.S. pension systems.

Most training activities should consist of on-site training opportunities, observational study tours, and in-depth discussions with counterparts, especially in corporations and enterprises with successful union-management-government relationships (e.g., Harley-Davidson).

Background. Union, management, and government leaders do not share the same level of understanding and knowledge regarding new union laws. Employees often ignore or are not aware of the details of the new laws. The pension system in Croatia" which is in a state of collapse" is an area of interest to all three groups.

Participant Profile/Selection. Nominees should be drawn from union leadership and larger enterprises and include a representative (knowledgeable about new union laws) of the Ministry of

Labor and perhaps the relevant parliamentary committee.

Technical Assistance Contractor(s)/Grantee(s). FTUI/Zagreb Office (Rudy Porter; Masarykova 20/I, Zagreb; ph: 385-1 4551-333; fax: 385-1 424-930)

Suggested Follow-On Activities. Follow-on activities should include roundtable discussions between and among participants, especially with invited colleagues. The TA contractor should provide facilitation and support.

Special Considerations

C Cost sharing: Minimal and involves airfare only.

C The group of trainees should be heterogeneous with respect to age, experience, education, etc.

Suggested Training Provider(s). Training providers may include FTUI and the Institute for Pension Studies, NY, among others.

SPREADSHEET

USAID/Zagreb FY 97 Training Plan

IR #	Priority/Course Title	Prog	O	N	D	J	F	M	A	M	J	J	A	S	Est \$ Cost	
	Strategic Objective #1															
1.2.2/1.3	A1. Community Ctrs	HA	6												54,000	
1.1.1	B1. Micro/Small Bus Loans		8												72,000	
1.1.1	B2. MicroEnterprise Develop													8	72,000	
	Strategic Objective #2															
2.1.1/2.2	A1. CROSEC	ER							6						54,000	*
2.1/2.1.2	A2. Bank Examination	ER	10												45,000	**
2.2.3	B1. Union/Mgt/Gov't Relations	DI	6												54,000	*
	Strategic Objective #3															
3.2.1.3	A1. Independent Media****	DI	8												72,000	
3	A2. Exec Ldrshp Develop	DI	10			10			10						270,000	*
	Strategic Objective #4															
	A1. (see SO #3 above)****															
4.2	A2. NGOs: Coalition Bldg	HA				8									72,000	
4/4.1.1/4.1.2	A3. Civic Advoc/Elections	DI	10												90,000	
4.1.1	A4. Labor Union Ldrship Skills	DI										10			90,000	*/***
	* cost share will lower estimate															
	**cost share match w/ NBH															
	***tuition waiver															
	****class also falls under SO #4, IR #4.2															

APPENDICES

Appendix A: List of USAID Staff and TA Contractors Contacted

Appendix B: In-Country Training by TA Contractors

Appendix C: Third-Country Training" Alternative Options

Appendix D: Training under Reengineering

APPENDIX A

LIST OF USAID STAFF AND TA CONTRACTORS CONTACTED

USAID

Charles Aanenson, USAID Representative
Peter Riley, Program Officer
Ross Wherry, GDO
Slavica Radosevic, Development Assistance Specialist
Zdravko Kuzmic, Project Specialist
Thomas Yates, Humanitarian Assistance Adviser
Tamara Sterk, Project Specialist for Humanitarian Assistance

TA Contractors

Delphi STAR Project: Jill Benderly (Croatia, Bosnia, and Macedonia)
Barents/KPMG: Leslie Mathews, W. Jason George, Michael Edwards
International Rescue Committee/Trauma & Reunification (IRC): Mirella Despotovic (Croatia and Bosnia)
Free Trade Union Institute (FTUI): Rudy Porter
National Democratic Institute for International Affairs (NDI): Les Campbell (Croatia and Albania)
Catholic Relief Services/Society for Psychological Assistance (CRS/SPA): Dragan Jusupovic
Center for Attitudinal Healing: Maja Mihic
ABA/CEELI: Marilyn Zelin, Fred Yeager
America's Development Foundation (ADF): Tia Pausic
Harvard Program in Refugee Trauma: John Woodall
American International Health Alliance (AIHA): Linda Poteat (Croatia and Albania)
Partners for International Education and Training (PIET): E.J. Ashbourne and staff
International Business and Technical Consultants, Inc. (IBTC): Giovanni Giarrusso, François-Jude Pepin

Other Resources

IRC/Micro Enterprise Development: Robby Henes
U.S. Embassy/USIS: Doug Davidson
SOROS: Karmen Basic
James A. Dohrman
National Institute for Advanced Reporting: Sherry Ricchiardi
Financial Services Volunteer Corps: Chris Black

APPENDIX B

IN-COUNTRY TRAINING BY TA CONTRACTORS²⁵

Center for Attitudinal Healing (CAH). Offers presentations, lectures, and workshops in cognitive healing for more than 1,500 refugees and displaced persons. Topics include communication skills and interpersonal techniques. Local volunteers are also receiving training to provide additional training and to develop community support groups; 150 have been trained, 80 are active. Experts from the home office in Sausalito, CA, deliver additional in-country training to supplement staff-conducted training. In-country training takes place at three outreach centers: in camps, at hospitals, and community centers. The USAID grant expires at end of FY 96. CAH is currently looking for other donor support and has submitted a proposal to work in East Slavonia on interethnic dialogue, conflict resolution and reconciliation, etc.

Delphi International STAR Project. Provides training by outside experts and in-country trainers to about 12 Croatian NGOs, women's groups, and activists. Fields include strategic planning, organization change and management, leadership, conflict resolution skills and application, media, e-mail, and technical skills training. (Project hopes to develop a small business training program in the future.) Clients have participated in PTPE programs, often to support gender target; experience has been good. (Project is most active outside Zagreb and indicated it could/would provide candidates for U.S.-based training as well as participant profiles early on for optimal placement.)

Representatives from NGOs in region comprise an advisory board that conducts needs assessment and has determined that local (i.e., from the membership) trainers are preferable. Focus areas include conflict resolution, income generation, advocacy, e-mail capability, and strategic media training (regionwide). The project partners with IRC, CRS, and ADF and has indicated need for more regional as well as overseas training to supplement, build on, and enhance in-country training and to promote intergroup, interregional dialogue.

International Rescue Committee (IRC). Administers and manages USAID umbrella grant (psycho-social area); currently works only with "proven" NGOs with "good" evaluation techniques and potential for sustainability" community-based NGOs rather than psychosocial groups. Responsibilities now include more monitoring of grantees. FY 96 focus is on organizational development of NGOs. In-country seminars include fundraising (followed by individual consultations). An autumn seminar on the "Role of the Board of Directors" will be followed in spring by a marketing seminar. A seminar is also planned to provide information and techniques on how to present NGO programs to donors and local governments for additional support. In addition, a roundtable series on the legalities of fundraising activities to finance NGO programs is under preparation. IRC has also indicated the need for additional training" including U.S.-based training" to supplement and enhance in-country activities. The director of the umbrella grant project plans to organize informal meetings of all NGO support providers.

IRC/Micro Enterprise Program. Practical training is provided to women who are now primary

Information cannot be considered a full inventory or complete description of in-country training activities; this summary represents details available as of June 5, 1996" much of it collected through interviews with TA contractors.

breadwinners (spouses are either disabled or dead) and serves as base for psychosocial support to ease transition from dependent to supporter role. Future training will include basic business skills to help (project hopes) ease transition and resettlement. Partners with Delphi.

National Democratic Institute (NDI). Works closely with FTUI, ADF, and PIET and has sent several clients for additional training in the United States (election coverage, political party development). Most of NDI's political party development efforts occur outside Zagreb. In addition to the director, outside experts from the United States and Western Europe provide workshops and seminars for city- and county-level participants (public and private sector individuals). Many repeat participants take advantage of the various in-country training activities and thus form a core group for the program. NDI also provides pre-PTPE support and follows up with returned participants through in-country training activities in which participants take an active role. Topics to be covered in the coming year include public opinion research, focus group development, election monitoring/poll watching, etc.

Catholic Relief Services/Society for Psychological Assistance (CRS/SPA). Provides informal professional development training for institutional strengthening in combination with formal training in posttraumatic recovery (course work and treatment techniques). The target audience includes psychologists, social workers, and special education teachers who work with traumatized adults and children. In-country training falls into five categories (based on education/skill level of participants): trauma awareness (community teachers and young, inexperienced mental health professionals); basic trauma and recovery; advanced trauma and recovery training; mental health training and trauma treatment; and leadership and program building. Each level of training increases in length and difficulty and is provided by both in-country and foreign (including U.S.) experts (who provide service at discounted rates).

Future plans involve working with psychiatrist groups, offering continuing education in mental health, and providing basic trauma training for inexperienced professionals. CRS/SPA also hopes to provide mobile mental health teams (community crisis teams) to Sector East as resettlement begins.

Harvard. Focuses on infrastructure change to institutionalize course work provided in-country. (Croatia has an extensive public health network whose 24 regional health facilities receive monthly video training and education.) Credit status was recently approved for continuing education for physicians at the postgraduate level. Training occurs in hotels. One goal is to provide a sufficient number of clinicians in highly traumatized, underserved regions. Harvard also hopes to field "repatriation teams" (medical and social work professionals) to provide necessary services to returnees (in Bosnia).

Barents/KPMG. Provides training to the staff of the National Bank of Croatia, the Bank Supervision Department. Six seven-week classroom training sessions are provided twice (once in English; once with an interpreter) to approximately 50 staff professionals. TA advisers are currently engaged in providing on-site assistance and training.

A bank training institution in Croatia is presently inactive. Zagrabanka offers in-house training for its employees only. Discussions are underway for an in-country bank training program as well as for an interregional bank training institute. Most countries in the region "Croatia, Slovenia, and Macedonia" have same/similar accounting, laws, history, and payment systems.

America's Development Foundation (ADF). Provides support for institutional development (fundraising, proposal writing, and financial records) and substantive issues (human rights, advocacy, legal representation). ADF enjoys links to IRC subgrantees and STAR grantees and has undertaken some indigenous efforts to develop umbrella organizations (humanitarian organizations by ICVA; environmental groups by the Regional Environmental Center; human rights by an informal gathering of 14 human rights groups). Taught by U.S. experts, an in-country seminar recently provided training on lobbying and advocacy by using a draft law as a teaching aid. Most participants were not even aware that a draft law affecting NGOs was under consideration by the Croatian Parliament. Roundtables are now sponsored to share information and to plan strategy.

Additional legal training will be provided as Sector East transition programs are implemented. The TA contractor will provide training to Serb lawyers on the Croatian legal system. Of primary importance is providing assistance to displaced persons eligible to obtain Croatian citizenship, from which all other rights derive (including landownership). A system using NGOs in Sector East and Zagreb (where legal certificates and copies can be obtained) is also being developed with requisite skills training.

Soros will underwrite the Croatian Legal Centers to be staffed by one U.S. and one Croatian attorney plus four local legal assistants. A cooperative agreement between USAID and a Norwegian donor assistance group also provides support.

American Bar Association (ABA)/CEELI. Provides TA in several areas: judicial reform, commercial law reform, legal education reform, legal profession reform, and legislative assessments. Most of these areas include in-country training relating to the establishment of indigenous, self-sustaining training programs (through new or existing institutions) as well as grassroots training and continuing professional education activities. Local, regional, and international (including American) experts provide training through seminars, workshops, and skills-building meetings.

Additional training will be offered to members of the Independent Judicial Institute to set up a curriculum and conduct a needs assessment on the judiciary. Building on seminars offered in fall 1995 and spring 1996, plans for 1997 include training visits to every district and municipal court in Croatia. One-day workshops will be conducted on judicial selection based on U.S. models ("courageous justices who went against popular opinion") and how judges can make a difference. (Eight Croatian judges are scheduled to participate in a July 1996 PTPE program on the role of judges and court automation).

Regional training is also provided, although inherent problems with interregional differences (e.g., language, culture) have occurred. Further, ABA/CEELI conducts annual meetings and more frequent regional meetings in which country representatives meet to exchange ideas on training and training resources. CEELI will also field a lawyer to collaborate with ADF in advising and training lawyers to provide assistance to displaced persons in Croatia.

American International Health Alliance (AIHA). Under cooperative agreements with USAID, AIHA supports 33 health care partnerships worldwide; eight in Central and Eastern Europe. In Croatia, as in other countries, the AIHA program focuses on institution-to-institution relationships; professional exchanges; training and education; volunteer support; community involvement;

hospital management and administration training; etc. There are two medical partnerships in Croatia. The first involves the Franciscan Sisters of the Poor Health Systems, Inc., with hospitals in Zadar (regional institution) and Biograd (geriatrics/physiotherapy). The second partnership is the Dartmouth-Hitchcock Medical Center (New Hampshire) with three hospitals. Its first hospital is the Zagreb University Infectious Disease Hospital, focusing on infection control and nosocomial infection; the second is Sveti Duh Hospital, focusing on renal disease, micro invasive surgery, gynecology/obstetrics, orthopedics/traumatology; and the third is Children's & Adolescent TB Hospital Srebrnjak, focusing on TB and the development of a comprehensive asthma care program. AIHA has provided for approximately ten training exchange activities for FY 97; five in Zagreb and five in different parts of the United States (New Hampshire, Texas). These exchanges include visits by Croatian nationals to the United States and visits by U.S. medical/nursing personnel to Croatia.

APPENDIX C

THIRD-COUNTRY TRAINING" ALTERNATIVE OPTIONS

The Mission may want to consider third-country training as an option to U.S.-based training and in-country training.

Third-Country Training Guidelines. According to ADS 253, third-country training normally refers to "training offered in other developing or recipient countries unless waived by the Mission Director (only). Third country training is not to take place in other developed countries or countries providing assistance to the recipient country. Training is never to take place in countries considered unfriendly by the U.S. Department of State where travel by U.S. citizens is prohibited."

As is the case in all USAID-supported training (in-country and U.S.-based), the training must be linked and contribute to the Mission's strategic objectives and intermediate results. In addition to the ADS regulations cited above, guidelines apply to the administration of third-country training funded by the Participant Training Project for Europe (PTPE). Specifically, it is suggested that 15 percent of the participants from the region are programmed for third-country training. In addition, training programs that cost more than \$5,000 must be competitively bid unless the Mission director identifies a rationale for a sole source contract.

Depending on the training and objectives desired, third country training may provide a more relevant training experience than U.S.-based training. The Mission, however, might want to consider secondary factors in deciding whether to use regional resources for training. Training costs are generally lower in the region than in the United States because of less expensive training costs and airfares. Third-country training programs also provide opportunities for networking and linkages among people facing similar challenges in the transition to democratic governments and market-based economies.

Training Option(s). Based on conversations with USAID project officers and TA contractors, two possible third-country training programs were discussed as options to U.S.-based programs. In both cases, the justification for the third-country training option is that training in a country other than the United States would be more relevant and appropriate to training needs and objectives. In both cases, case studies and practical training such as on-site visits and appointments and "shadowing" would be more useful in that the alternative sites share similar experiences and/or systems with Croatia.

C Option #1: Community Centers. Training in Israel is suggested as an option for training for community center staff and leaders, especially those selected from Sector East. One component of the proposed activity will focus on interethnic dialogue and reconciliation. Israel's history of conflict and interethnic debate could provide relevant case studies and lessons learned for Croatian participants.

USAID/HCD has advised that it recently met with an Israeli training institution and discussed protocols for providing training as well as programming services.

C Option #2: Training for Bank Rehabilitation/Asset Management. Training in Poland or the Czech Republic, perhaps Hungary, is recommended for a new training activity whose

participants would be identified team leaders for the Asset Management Division at the Agency for Deposit Insurance and Bank Rehabilitation. This is a new agency and division with a team inexperienced in asset liquidation. Michael Edward, Barents/KPMG technical adviser, is providing in-country training and technical assistance to the team and division. He suggests that team leaders would benefit greatly from one to two weeks of training at an established organization in a transition economy that is conducting asset liquidation for banks undergoing reconstruction. The models in the above CEE countries are more relevant than U.S. credit and banking systems. (The TA contractor indicates that the agency could pay for per diem and travel costs for training.)

The following institutions could design and present the training program: IRED, Patrick Coughlin, ul. Chopina, Warsaw, Poland, ph: (48-22)-6252530/6252536; fax: 521-2018; and the Banking and Financial Assistance Center, Budapest, Hungary, Eugene Spiro, ph: (3361)1759324; fax: 175774.

- C Potential Regional Training Provider.** In the Central and Eastern Europe region, the Institute for Exchange and Dialogue (IRED), a USAID/Poland-funded program for regional training and dialogue, will design and facilitate USAID-funded programs for missions in the region. The program is administered by Partners for International Education and Training in Warsaw, with satellite offices for program coordination in other CEE countries.
- C IRED was established in November 1995 and has trained 51 participants to date in a variety of fields, including commercial bank management, motorway concession, bank privatization, the housing and real estate industry, pension fund reform, political party development, and health care. Programs are planned for the summer in stock markets, particularly general and depository-related lessons learned, financial audit and risk assessment for privatized firms, and financing and budgeting for local governments.